

#### UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

JUL 1 2015

OFFICE OF ENFORCEMENT AND COMPLIANCE ASSURANCE

# VIA ELECTRONIC MAIL AND CERTIFIED MAIL RETURN RECEIPT REQUESTED

Mr. Mark Hurley Chief Executive Officer Blueknight Energy Partners, L.P. Suite 200 201 NW 10th Oklahoma City, OK 73103

Re:

Clean Air Act Section 114(a) Information Request – No. 6 Residual Fuel Oil and Cutback Asphalt Storage Tanks

Dear Mr. Hurley:

The United States Environmental Protection Agency ("EPA") hereby requires Blueknight Energy Partners, L.P. ("the Company" or "you") to provide certain information to determine the Clean Air Act ("CAA") compliance status of the Company's No. 6 residual fuel oil and cutback asphalt storage tanks.

Pursuant to section 114(a) of the CAA, 42 U.S.C. § 7414(a), the EPA is authorized to require any person who owns or operates an emissions source to establish and maintain records, make reports, sample emissions (in accordance with the procedures and methods that the Administrator shall prescribe) and provide such other information as it may reasonably require for the purposes of determining whether such person is in violation of any provision of the CAA. For the EPA to determine whether a violation of the CAA has occurred, you are hereby required, pursuant to section 114(a) of the CAA, to provide information in accordance with the enclosed questions and requests for information included in Appendix 2, pursuant to the instructions in Appendix 1.

You are entitled to assert a business confidentiality claim, covering all or part of the information that this request requires, except that no such claim can be made with respect to emissions data as defined at 40 C.F.R. § 2.30l(a)(2). Any such confidential business information

("CBI") claim must be made in accordance with the procedures described at 40 C.F.R. §2.203(b) and Appendix 3. The EPA will provide the public with information subject to a claim of CBI only in accordance with the procedures set forth at 40 C.F.R. Part 2, Subpart B. The EPA may provide the public with any information not subject to such a claim without further notice to you. The required submission of information pursuant to Section 114(a) of the Act is not subject to the approval requirements of the Paperwork Reduction Act of 1980, 44 U.S.C. § 3501 et seq.

You are under an obligation to preserve all documents requested in this letter until you receive further instructions from the EPA. In addition, the EPA requires you to report any changes or revisions to the information supplied within seven days after the change or revision is made. This requirement to provide the EPA with changed or revised information shall remain in effect until the EPA provides you with written notice of its termination.

Failure to provide the required information may result in the initiation of a civil action pursuant to Section 113(b) of the Act, 42 U.S.C. § 7413(b) ("Section 113(b)"). Section 113(b) allows EPA to bring a civil action for injunctive relief and civil penalties for violations of Section 114. In addition, knowingly providing false information may be actionable under Section 113(c) of the Act, 42 U.S. C. § 7413(c), and 18 U.S.C. §§ 1001 and 1341. The information you provide may be used by the EPA in administrative, civil, and criminal enforcement proceedings. If the Company continues to violate the requirement to comply with Section 114 of the CAA, EPA will consider its related enforcement options, which include issuance of an administrative order and/or civil action.

Please provide the requested information within 30 business days of the date of this information request to the following person. The information should be provided on a compact disc and should be sent by FedEx, UPS, or other common carrier to:

Mr. Cary Secrest United States Environmental Protection Agency William Jefferson Clinton Building South, Rm. 2111A 1200 Pennsylvania Avenue, N.W. Washington, D.C. 20004

If you have any questions regarding this information request, please contact Mr. Cary Secrest at (202) 564-8661 or by email at secrest.cary@epa.gov.

Sincerely

Phillip A. Brooks, Director

Air Enforcement Division

Enclosures

#### Appendix 1

When providing the information requested in Appendix 2, follow the instructions and definitions below.

#### Instructions

- 1. Provide a separate response to each question and subpart of a question set forth in Appendix 2.
- 2. Identify the person(s) who provided information used or considered in responding to that question, as well as each person consulted in the preparation of that response.
- 3. Indicate on each document produced, or in some other reasonable manner, the number of the question to which it corresponds.
- 4. When a response is provided in the form of a number, specify the units of measure of the number in a precise manner.
- 5. Where information or documents necessary for a response are neither in your possession nor available to you, prepare to discuss why the information or documents are not available or in your possession, and identify any source that either possesses or is likely to possess the documents or information.
- 6. If information not known or not available to you as of the date of the on-site review becomes known or available to you, or, should you find at any later time that any portion of the submitted information is false or incorrect, you must notify the EPA as soon as possible.
- 7. If the Company has previously submitted a response in whole or in part to any of the questions set forth in Appendix 2, please indicate in your response the specific date of the previous response and the Bates numbers for the documents that are responsive.

### **Electronic Information**

To aid in our electronic recordkeeping efforts, we request that you provide all documents responsive to this information request in an electronic format according to paragraphs 1 through 6, below. These submissions are in lieu of hard copy.

When requested, provide all responsive documents in Portable Document Format (i.e., "PDF") or similar format, unless otherwise requested in specific questions. If the PDFs are scanned images, perform at least Optical Character Recognition (i.e., "OCR") for "image over text" to allow the document to be searchable. Submitters providing secured PDFs should also provide unsecured versions for the EPA use in repurposing text.

- When specific questions request data in electronic spreadsheet form, provide the data and corresponding information in editable Excel or other common spreadsheet format, and not in image format.
- Provide submission on physical media such as compact disc, flash drive, or other similar item.
- 4. If copies of documents are requested during the on-site review, please provide a table of contents for each compact disc or flash drive containing electronic documents submitted in response to our request so that each document can be accurately identified in relation to your response to a specific question. We recommend the use of electronic file folders organized by question number. In addition, each compact disc or flash drive should be labeled appropriately (e.g., Company Name, Disc 1 of 4 for Information Request Response, Date of Response).
- 5. Documents claimed as CBI must be submitted on separate discs/drives apart from the non-confidential information. This will facilitate appropriate records management and appropriate handling and protection of the CBI. Please follow the instructions in Appendix 4 for designating information as CBI.
- Certify that the attached files have been scanned for viruses and indicate what program was used.

#### **Definitions**

All terms used in this information request have their ordinary meaning unless such terms are defined in the CAA, 42 U.S.C. §§ 7401 et seq. or applicable regulations or state implementation plan.

- 1. The terms "document" and "documents" shall mean any object that records, stores, or presents information, and includes writings, memoranda, records, meeting notes, telephone discussion summaries, emails, or information of any kind, formal or informal, whether wholly or partially handwritten or typed, whether in computer format, memory, or storage device, or in hardcopy, including any form or format of these, and any attachments to or enclosures with any such objects.
- 2. The terms "relate to," "in relation to" or "pertain to" (or any form thereof) shall mean constituting, reflecting, representing, supporting, contradicting, referring to, stating, describing, recording, noting, embodying, containing, mentioning, studying, analyzing, discussing, evaluating, or relevant to.

## Appendix 2

## Information Request

- 1. Provide the facility names and locations of all storage terminals that store cutback asphalt or No. 6 residual fuel oil owned and/or operated by the Company and its affiliates.
- 2. For each storage terminal site identified in response to request #1, provide the following:
  - a. A list of the storage tanks by tank number;
  - b. The type of liquid stored in each tank;
  - c. The storage capacity of each tank;
  - d. For each tank, the True Vapor Pressure of the stored liquid and the Company's estimated emissions of volatile organic compounds (VOCs) and Hazardous Air Pollutants (HAPs) in tons per year;
  - e. Whether or not the tanks are fitted with a control device for VOCs and HAPs and if so, the type of control device used.

## Appendix 3

## Confidential Business Information Assertion and Substantiation Requirements

#### A. Assertion Requirements

You may assert a business confidentiality claim covering all or part of the information requested in response to this information request, as provided in 40 C.F.R. Section 2.203(b). You may assert a business confidentiality claim covering such information by placing on (or attaching to) the information you desire to assert a confidentiality claim, at the time it is submitted to the EPA, a cover sheet, stamped, or typed legend (or other suitable form of notice) employing language such as "trade secret" or "proprietary" or "company confidential." Allegedly confidential portions of otherwise non-confidential documents should be clearly identified, and may be submitted separately to facilitate identification and handling by the EPA. If you desire confidential treatment only until a certain date or until the occurrence of a certain event, the notice should so state. Information covered by such a claim will be disclosed by the EPA only to the extent, and by means of the procedures, set forth in Section 114(c) of the Clean Air Act (the Act) and 40 C.F.R. Part 2. The EPA will construe the failure to furnish a confidentiality claim with your response to the attached letter as a waiver of that claim, and the information may be made available to the public without further notice to you.

## B. Substantiation Requirements

All confidentiality claims are subject to the EPA verification in accordance with 40 C.F.R. Part 2, subpart B. The criteria for determining whether material claimed as confidential is entitled to such treatment are set forth at 40 C.F.R. Sections 2.208 and 2.301, which provide, in part, that you must satisfactorily show that you have taken reasonable measures to protect the confidentiality of the information and that you intend to continue to do so; that the information is not and has not been reasonably obtainable by legitimate means without your consent; and the disclosure of the information is likely to cause substantial harm to your business's competitive edge.

Pursuant to 40 C.F.R. Part 2, subpart B, the EPA may at any time send you a letter asking you to substantiate fully your CBI claim. If you receive such a letter, you must provide the EPA with a response within the number of days set forth in the EPA request letter. Failure to submit your comments within that time would be regarded as a waiver of your confidentiality claim or claims, and the EPA may release the information. If you receive such a letter, the EPA will ask you to specify which portions of the information you consider confidential. You must be specific by page, paragraph, and sentence when identifying the information subject to your claim. Any information not specifically identified as subject to a confidentiality claim may be disclosed without further notice to you. For each item or class of information that you identify as being subject to CBI, you must answer the following questions, giving as much detail as possible, in accordance with 40 C.F.R. 2.204(e):

- What specific portions of the information are alleged to be entitled to confidential treatment? For what period of time do you request that the information be maintained as confidential, until a certain date, until the occurrence of a specified event, or permanently? If the occurrence of a specific event will eliminate the need for confidentiality, please specify that event.
- 2. Information submitted to the EPA becomes stale over time. Why should the information you claim as confidential be protected for the time period specified in your answer to question #1?
- 3. What measures have you taken to protect the information claimed as confidential? Have you disclosed the information to anyone other than a governmental body or someone who is bound by an agreement not to disclose the information further? If so, why should the information still be considered confidential?
- 4. Is the information contained in any publicly available material such as the Internet, publicly available databases, promotional publications, annual reports, or articles? Is there any means by which a member of the public could obtain access to the information? Is the information of a kind that you would customarily not release to the public?
- 5. Has any governmental body made a determination as to the confidentiality of the information? If so, please attach a copy of the determination.
- 6. For each category of information claimed as confidential, explain with specificity why release of the information is likely to cause substantial harm to your competitive position. Explain the specific nature of those harmful effects, why they should be viewed as substantial, and the causal relationship between disclosure and such harmful effects. How could your competitors make use of this information to your detriment?
- 7. Do you assert that the information is submitted on a voluntary or a mandatory basis? Please explain the reason for your assertion. If you assert that the information is voluntarily submitted information, explain whether and why disclosure of the information would tend to lessen the availability to the EPA of similar information in the future.
- 8. Any other issue you deem relevant.

Please note that emission data provided under Section 114 of the Act, 42 U.S.C. Section 7414, is not entitled to confidential treatment under 40 C.F.R. Part 2, subpart B.

Emission data means, with reference to any source of emission of any substance into the air:

- (A) Information necessary to determine the identity, amount, frequency, concentration, or other characteristics (to the extent related to air quality) of any emission which has been emitted by the source (or of any pollutant resulting from any emission by the source), or any combination of the foregoing;
- (B) Information necessary to determine the identity, amount, frequency, concentration, or other characteristics (to the extent related to air quality) of the emissions which, under an applicable standard or limitation, the source was authorized to emit (including, to the extent necessary for such purposes, a description of the manner and rate of operation of the source); and
- (C) A general description of the location and/or nature of the source to the extent necessary to identify the source and to distinguish it from other sources (including, to the extent necessary for such purposes, a description of the device, installation, or operation constituting the source).

40 C.F.R. Sections 2.301(a)(2)(i)(A), (B) and (C).

If you receive a request for a substantiation letter from the EPA, you bear the burden of substantiating your confidentiality claim. Conclusory allegations will be given little or no weight in the determination. If you fail to claim the information as confidential, it may be made available to the public without further notice to you.